

****FINAL****

**FRIENDS OF THE CUMBRES & TOLTEC SCENIC RAILROAD, INC.
BOARD OF DIRECTORS' MEETING – JUNE 24, 2017
BOB AND HOLLY ROSS RESIDENCE, CHAMA, NM**

ATTENDANCE: Ed Beaudette, John Engs, Russ Hanscom, Jim Herron, Bill Lock, Dan Pyzel, Bob Ross, Don Stewart, Warren Smalley, Tim Tennant, Caroline Tower. Absent: Scott Hardy, Ed Lowrance

1. Call to order

Chairman Ross called the meeting to order on Saturday, June 24th, 2017 at 8:30 AM.

2. Approval of Minutes:

Chairman Ross asked for corrections to the minutes of the March 18th, 2017 board meeting and the Executive Committee (EC) meetings of April 20th, 2017 and May 18th 2007.

M/S Pyzel/Tower to approve minutes of the March 18 BOD meeting as presented.

Passed unanimously.

M/S Pyzel/Stewart to approve the EC minutes as presented. **Passed Unanimously.**

3. Board and Officer Elections and Committee Appointments

A. President Tim Tennant reported the following Director Election Results. There were five positions with open with terms to expire in 2019 The following were elected by the membership: John Engs-909 Votes, James Herron-907 votes, William J. Lock-911 votes, Dan Pyzel 906 votes, Caroline Tower 905 votes.. Votes were certified on 6/24/2017. There are now 12 directors.

M/S Smalley/Tower to accept the results of the 2017 Board of Directors' election.

Passed unanimously.

B. Election of officers of the Corporation

Chairman Ross presented to the Board the proposed slate of officers nominated for election in 2017 as follows:

Chair-Bob Ross

President and CEO-Tim Tennant

Don Stewart- Vice Chair

Secretary- Warren Smalley

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Assistant Secretary- William Lock
Acting Treasurer- William Lock
Assistant Treasurers- Dan Pyzel and Warren Smalley

The Board discussed possibilities for a permanent treasurer and agreed that someone will be identified by the October 2017 meeting in Canon City, CO.

M/ Lock/Beaudette to elect the slate of officers as nominated and presented. **Passed unanimously.**

C. Appointment of Executive Committee members (Bob Ross)
Chairman Ross nominated the following Executive Committee membership:
Bob Ross, chairman
Don Stewart, Vice Chairman
Warren Smalley, Secretary
Bill Lock, Founder
John Engs, Co-Chair, Projects Committee
Ed Lowrance, Co-Chair, Projects Committee
Caroline Tower, Chair, Development and Interpretation committee
Tim Tennant, Ex-Officio Member

M/S Stewart/Lock To approve the Executive Committee as presented by Chairman Ross. **Passed Unanimously.**

D. No action on advisory board nominations or elections at this time

E. Appointment of Committee Chairs and Officers: Bob Ross (chair) passed out copies of the 2017 Committee Roster.

Installation of new directors and officers and comments from the Chairman.

Bob Ross thanked the re-elected board Directors and the existing ones for their willingness to serve. He especially expressed his and the Board's heartfelt thanks to Linda Smith for her excellent job of taking and recording minutes for many years and her invaluable role as Development and Project Committee co-chair. He also recognized and thanked former Chair and immediate past President Craig McMullen for his service, help and advice.

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M/S Lock/Pyzel to approve appointment of committees and Chairs. **Passed Unanimously.**

4. President's Report

President Tennant submitted his detailed report to the Director's Prior to the meeting and highlighted the following:

- **Railroad Commission.**

From all accounts opening day was a roaring success! 219 Passengers from Antonito and 183 from Chama. The night dinner train had 90 passengers.

The State of Colorado passed the railroad's request for \$1.29 million. The railroad's request for \$300,000 from NM failed as did everyone else's.

The next Commission meeting is to be held Friday August 5th at 9:00 AM at the Parish Hall in Conejos.

The C&TS RR was announced the winner In USA TODAY's 10 best Reader's Choice Awards for both Top Attraction in New Mexico and Top Attraction in Colorado.

- **Friend's items and News**

Tim recapped his Report to the Board passed out prior to and during the meeting: Among the highlights:

Locomotive 315 photo Charter was successful with a total of 77 riders over the two days of June 3rd and 4th, operating between Antonito and Cumbres.

The locomotive ran exceptionally well and comments were positive. The Locomotive 315 group enjoys a good working relationship with the Friends and we are looking into offering a one day charter for friends and 315 members on June 2nd 2018 following work session "B".

The friends have produced a new 18 minute video promotional DVD named the "Marshall Plan". It contains the C&TS segment from the latest PBS program plus our promotional piece. The video is very well don and really demonstrates the railroad and the work that the Friends do. It is a good recruiting tool and advertisement for the railroad! We have about 24 copies for loaning out to Friends members to use at railroad and other train functions.

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Our fall Board Meeting and will be held on Saturday, October 14th in Canon City. The meeting will start at 8:30 AM at the Hampton Inn, 103 McCormick Parkway. A block of rooms are reserved at \$119/night + tax has been reserved. Call 719-269-1112 mention the Friends and reserve a room! The banquet will be held Friday October 13th at the Abbey Events Complex in the 'Abbots Room'! The Abbey address is: 2951 East highway 50. The projects committee will meet on Friday October 13th. A beautiful dome ride on the Royal Gorge Scenic RR will also be on Saturday, departing at 6:30 PM the fare is \$115 per person. Please make your reservations soon as the dome tends to fill up quickly.

We got some nice publicity with four pages of pictures from the 1st. Quarter issue of "The Prospector" a magazine published by the Rio Grande Modeling and Historical Society of our restoration of Flanger OU. Another magazine, "Private Car Varnish", issue 149 published a 2 page spread and pictures of the Friends May private car trips from L.A. to Oakland.

Tim ended with his great thanks and appreciation to Linda Smith and Craig McMullan for the time and dedication they gave to the Board and organization and friendship to him during their time of service.

M/S Lock/Beaudette to accept the president's Report. Passed Unanimously

- **Membership Committee Report**

Chairman Don Stewart distributed his report prior to the Board meeting. Some of the salient points are that: membership is at 3,236 as of June, 2017; this is a decrease of 306 members. Memberships gained from the TRAINS magazine mailing is 151.

Several programs to increase membership are underway: calling lapsed members; mailing letter to TRAINS subscribers in Arizona, Utah, Kansas and Oklahoma; photo freights and special trains with discounted costs for members; Brochures added to card racks in Chama, Antonito and Osier; and Model railroad clubs/shows attendance. Ads in the following magazines twice a year: TRAINS, AARP Magazine, NMRA Magazine, and RV Living.

It may also be that there has been less marketing to increase participation in Restoration Sessions. Lastly, the Paid memberships have remained relatively constant while Complimentary and Parlor Car Memberships have dropped to zero!

M/S by Smalley/ Lock to accept the membership report. Passed Unanimously

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• **Finance Report**

CPA Armando Sanchez of Loftis Group, LLC CPA's and Tim Tennant presented a draft audit report of the financial year 2016 and the May 2017 financials.

In summary: There were no significant findings; it was an unmodified 'clean' report which is the high level of assurance auditors can provide.

Assets improved by \$1,278,000 (\$121,000 dollar increase) and liabilities decreased by \$21,000.

Tim presented the May financials: Revenue better than plan by \$15,000; Expenses better by \$118,000 (This will even out throughout the year).

M/S Lock/Beaudette to accept the Financial reports as given by Armando Sanchez and Tim Tennant. **Passed Unanimously**

5. **Master Calendar**

Founder Bill Lock proposed the following Master Calendar of events for FY 2018.

Spring BOD meeting, Saturday, March 17th- location TBD

Work sessions, A-May 21-25th 2018

B-May 28-June 1, 2018

C- June 18-22, 2018

Annual Membership Meeting, Friday 6/22/18

Annual Board Meeting Saturday, 6/23/18

D-June 25-29, 2018

E-July 23-27, 2018

F-July30-August 3, 2018

G-September 24-28, 2018

Fall Board Meeting, Saturday, October 20th, 2018

Moon light Train, Friday 7/27/18- the perfect time!

We discussed having a special train on Friday June 22nd, 2018 to celebrate the **30th Anniversary of the founding of the Friends of the C&TS RR!**

M/S Pyzel/Stewart to accept the Master Calendar. **Passed Unanimously**

6. **Collections Committee**

Dan Pyzel, Chairman of the Collections Committee presented a comprehensive report on 'The Big Picture' accompanied by Director Scott Hardy's October, 2009 well done analysis of the needs of the railroad and the Friends to maintain and keep the historic fleet in operation.

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- Dan's report began by capping his team's recent accomplishment in completing the restoration of long stock car number 5995 and turning it over to the railroad, for use in the historic fleet.
- The Friends have done miraculous things with structures and rolling stock on the railroad; however it is becoming clear that our most critical need is spare parts as we can no longer complete many of the cars needing restoration. A partial solution would be a reallocation of the hardware from some of the duplicate cars. Failure to take advantage of his and Scott Hardy's 2009 blueprint for preservation will compromise the Friends ability to restore rolling stock and many will become suitable for display only. In other words, 'the herd needs to be thinned'!
- The need to obtain more storage space for rolling stock was discussed as well as our recent acquisition of the best and most complete "GRAMPS" tank car.

M/S Smalley/Stewart to accept the Collection's Committee Report. **Passed Unanimously.**

7. Development and Interpretation Committee

- Director Caroline Tower reported that the PNGPF raised \$890,000 from its inception to 5/31/17. \$45,000 was raised just from January to 5/31/17!
- Grants and Foundations: The Anschutz Foundation decided not to fund us. More and more foundation guidelines are turning towards human services rather than historic preservation and brick and mortar projects. A grant from the Ludwig Foundation is still a possibility. The Gates and Boetcher Foundations are possibilities. Both of these foundations emphasis is on buildings.
- Interpretation: Weatherproof signs have been completed for Chama, the stock pens and Cumbres Pass. Location and installation is being decided. Adding QR codes to signs was discussed. (*editor's note*) The ones already installed at Osier look great!
- Bob Ross talked about the Docent program and the fact that among his many other responsibilities to the Friends, he's been in charge of this popular program that adds great value to the patrons of the railroad for twelve years and in the future he won't be able to spend all summer and fall shepherding the program. This year looks to be covered thanks to the efforts of the Docent Coordinators. He has asked a team to put together a long term program. The future is good; staffing is strong, but need ongoing consistent management.
- **M/S Pyzel/Lock** to accept the development and interpretation Committee Report. **Passed Unanimously.**

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8. Projects Committee

John Eng, Chair presented his progress report to the Board and highlighted the following:

- Wade Hall is now the Railroad's Safety Officer. The Friends will now start using the Railroad's safety report for all incidents. We have a strong interest in safety and this will be reflected in the new safety manual. New requirements will be in place on all railcars being restored.
- John has put together a power point presentation on the work of the projects committee.
- Five newly restored railcars have been added to the railroad's roster. The 463 was a cosmetic restoration, but RGS 0400 Caboose and the 5995 stock car , 1357 Rider gondola and 6601 flat car are all back in service.
- He showed a video of these cars and the new video of the Friends promotional DVD (aka 'the Marshall Plan'). There has been much positive response by those who have seen it.
- There was a discussion on zoning and related issues for the new storage shed we're putting up in Chama.

M/S Stewart/Tower to accept the Projects Committee report. **Passed Unanimously**

9. New Business

Thieves took two Friends bank account checks. A special resolution was requested to open a new bank account at the Bank of Albuquerque

M/s Lock/Tower to open a new bank account at Bank of Albuquerque.

10. Motion to Adjourn

M/S Engs/Lock to adjourn. **Passed Unanimously 2:30 PM**